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03
 Conference report
 expected to pass
 House + Senate

To: Ed Darrin
 From: John Yates

TITLE III

DEPARTMENT OF ENERGY

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs, and activities of the Department of Energy. Additional items of conference agreement are discussed below.

BUDGET JUSTIFICATION REQUIREMENTS

The conferees agree with the House language regarding prior approval of proposed budget structure changes. The conferees also agree that budget justifications submitted by the Department must include a section identifying the last year that authorizing legislation was provided by Congress for each program, funding within each construction project data sheet for elimination of excess facilities at least equal to the square footage of new replacement facilities being requested, and funding to eliminate excess facilities at least equal to the square footage of new replacement facilities being constructed as general plant projects.

SAFEGUARDS AND SECURITY FUNDING

The conferees direct the Department to continue to identify safeguards and security funding as a separate line item in the budget justifications. The conferees also direct the Department to review contractor cost allocation practices to ensure that contractor practices are in compliance with the Cost Accounting Standards and that

safeguards and security costs are not being allocated a disproportionate share of indirect costs. The Committees on Appropriations should be informed of the results of this review upon completion.

MANAGEMENT OF NON-NNSA WORK AT NNSA FACILITIES

The conferees direct the Secretary to report promptly to the House and Senate Committees on Appropriations regarding the procedures established pursuant to Sections 3264 and 3213 of Public Law 106-65, as amended by Section 3157 of Public Law 106-398. The report should include written copies of the tasking agreements, delegations of authority, or other arrangements that demonstrate compliance with these statutory provisions.

PROJECT MANAGEMENT

The conferees support language included in the House report regarding the efforts of the Office of Engineering and Construction Management (OECM) to improve the Department's construction and project management.

FACILITIES AND INFRASTRUCTURE

The conferees agree with House language regarding efforts to strengthen and standardize management of the Department's facilities and infrastructure (F&I) program and to address management of all F&I assets. The conferees do not agree with the House proposal to provide direct funding of all maintenance in the fiscal year 2004 budget. However, the Department is directed to ensure that adequate funds are budgeted for

facility maintenance and disposition, and that the amounts reported in the Integrated Facilities and Infrastructure crosscut budget will be expended solely for these purposes. Use of these funds for any other purpose will require advance approval by the Director, Office of Management, Budget and Evaluation. The Department is also directed to provide an annual year-end report on maintenance expenditures to the Committees on Appropriations.

EXCESS FACILITIES

The conferees agree with House language pertaining to excess facilities and the requirement to procure decontamination and decommissioning services and disposal of excess facilities through an open competitive process.

AUGMENTING FEDERAL STAFF

The conferees agree that the number of management and operating contractor employees assigned to the Washington metropolitan area shall not exceed 220 in fiscal year 2003, the same as the fiscal year 2002 ceiling. The reporting requirements remain as proposed by the House.

REPROGRAMMING GUIDELINES

The conferees agree with the House language on reprogramming guidelines. The conference agreement does not provide the Department of Energy with any internal reprogramming flexibility in fiscal year 2003 unless specifically identified by the House, Senate, or conference agreement. Any reallocation of new or prior year budget authority

The conference agreement also provides \$11,985,000 for the Experimental Program to Stimulate Competitive Research (EPSCoR).

Advanced scientific computing research.—The conference agreement includes \$172,625,000 for advanced scientific computing research (ASCR), an increase of \$3,000,000 over the budget request. The conferees provide these additional funds for the Department to pursue alternative approaches to advance the United States capability in advanced scientific computing. The recent developments by the Japanese on scientific supercomputing are cause for concern. The conferees strongly support DOE's role in Advanced Scientific Computing development missions, and will consider a request for reprogramming of fiscal year 2003 funds in order for U.S. manufacturers and laboratories to address the recent developments by Japan relating to the Earth Simulator.

Energy research analyses.—This activity is transferred as a subprogram under Science Program Direction.

Science laboratories infrastructure.—The conference agreement provides \$45,680,000 for science laboratories infrastructure, including a total of \$8,000,000 for excess facilities disposition.

Fusion energy sciences.—The conference agreement includes \$250,000,000 for fusion energy sciences, an increase of \$1,505,000 over fiscal year 2002. The conferees note that the fiscal year 2002 funding level included \$19,604,000 for the completion of